MEMORANDUM FOR: Director of Central Intelligence
FROM: Deputy Director for Intelligence
SUBJECT: Nicaragua

1. It is time to talk absolutely straight about Nicaragua. To recap where we are:

-- The Soviets and Cubans are turning Nicaragua into an armed camp with military forces far beyond its defensive needs and in a position to intimidate and coerce its neighbors.

-- The Nicaraguan regime is steadily moving toward consolidation of a Marxist-Leninist government and the establishment of a permanent and well armed ally of the Soviet Union and Cuba on the mainland of the Western Hemisphere. Its avowed aim is to spread further revolution in the Americas.

-- The FDN has been denied American assistance.

...wave of refugees and others who, seeing abandonment of American efforts to force the Sandinistas to alter their regime, will see the handwriting on the wall, determine that their personal futures are in peril and leave the country. It is altogether conceivable that we could be...
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looking at an initial refugee wave from Nicaragua over the first year of [redacted] people (the families of the Contras alone could account for [redacted]).

Failure of the United States to provide further assistance to the resistance and collapse of the Contra movement would force

These unsettled political and military circumstances in Central America would undoubtedly result in renewed hardship and political instability throughout the region. (S)

2. These are strong assertions but our research as well as the reports of our people make it possible to substantiate each of the above points. (S)

3. What is happening in Central America in many ways vividly calls to mind the old saw that those who forget the past are condemned to repeat it.

-- In 1958-60 we thought that we could reach some sort of accommodation with Castro that would encourage him to build a pluralistic government in Cuba. We have been trying to do the same thing with the Nicaraguans, with the same success.

-- In Vietnam, our strategy consisted of a series of measures applied very gradually and over a long period of time. With each step of new US involvement the gradual approach enabled the enemy to adjust to each new turn of the screw so that by the end of the war, even in the face of the most severe bombing, the Vietnamese had developed enormous tolerance. Half measures, halfheartedly applied, will have the same result in Nicaragua.

-- In 1975, the United States President announced that American assistance to UNITA in Angola was in the national interest of the United States and strongly urged the Congress to support military assistance to that group. The Congress turned it down, thereby not only proving that the United States would not involve itself in any significant way in the Third World to combat Soviet subversion and activity but, moreover, that the Congress could effectively block any moves the President did wish to make. The Rolland Amendment and the cutoff of aid to the Contras is having the same
effect again, showing the Soviets and our Third World friends how little has changed in nine years, even with a President like Ronald Reagan.

In a variety of places, including Vietnam, negotiations in effect became a cover for the consolidation and further expansion of Communist control. While they might observe whatever agreements were reached for the first weeks or as long as American attention (particularly media attention) was focused on the situation, they knew they could outlast our attention span. Usually within a relatively short period of time they were openly violating whatever agreements had been achieved. (S)

4. The truth of the matter is that our policy has been to muddle along in Nicaragua with an essentially half-hearted policy substantially because there is no agreement within the Administration or with the Congress on our real objectives. We started out justifying the program on the basis of curtailing the flow of weapons to El Salvador. Laudable though that objective might have been, it was attacking a symptom of a larger problem in Central America and not the problem itself.
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